

UNITED STATES DISTRICT COURT
DISTRICT OF MARYLAND

CHAMBERS OF
J. FREDERICK MOTZ
UNITED STATES DISTRICT JUDGE

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November 21, 2007

MEMO TO COUNSEL RE: Steele Software Systems Corp. v. DataQuick Information
Systems, Inc.
Civil No. JFM-05-2017

Dear Counsel:

I have reviewed the memoranda submitted in connection with DataQuick's motion for an order of contempt.

The motion is denied. In light of the fact that Three S has withdrawn the subpoena it had issued to LegaLink, Inc. in the Baltimore County litigation, the motion is moot. I understand that Three S's withdrawal of the subpoena may only be temporary. However, I assume that Three S will be aware of sanctions it might face in the event that it reissues the subpoena.

If that the subpoena is reissued by Three S, I might well decide not to entertain a motion for contempt filed by DataQuick on the ground that discovery disputes in the *Whiteford, Taylor, Preston*, litigation should be resolved by the Circuit Court for Baltimore County. However, I anticipate that if the subpoena is reissued and the Circuit Court for Baltimore County concludes that Three S were attempting to circumvent the rulings I have previously made denying it a copy of the transcript of the arbitration proceeding, that court might impose sanctions upon Three S. Such sanctions might be particularly appropriate in the event that Baltimore County Circuit Court were to conclude, as persuasively argued by DataQuick in the memoranda submitted here, that the transcript is irrelevant to the claims asserted in the *Whiteford, Taylor & Preston* litigation because Whiteford, Taylor did not represent Three S until long after the arbitration had been concluded.

Despite the informal nature of this letter, it should be flagged as an opinion and docketed as an order.

Very truly yours,

/s/

J. Frederick Motz
United States District Judge